

## FROM 1 APRIL 2013

### INDIVIDUAL INCOME TAX RATES

Tax Year end 31 March

Taxable Income	Rate	Cumulative Tax
\$0 - 14,000	10.5%	\$ 1,470
14,001 - 48,000	17.5%	\$ 7,420
48,001 - 70,000	30.0%	\$ 14,020
Above 70,000	33.0%	

### Trust Beneficiary Income

Minor beneficiary 33.0% min (under 16 y.o. at 31 March)

Other beneficiary 10.5% min as above

### REBATES/TAX CREDITS

Common rebates are

Independent earner (up to \$48,000 pa)

Charitable donation

Maximum Rebate

\$ 520

33.3333% of qualifying payments

Low income families may be eligible for "Working for Families" tax credits.

### COMPANY INCOME TAX RATES

Resident

28%

Non-Resident

28%

### DIVIDEND IMPUTATION

Imputation Credit (maximum ratio) 28/72

Excess imputation credits convert to loss carry forward

for companies and trustees at

28%

for individual shareholder excess credits carry forward.

### BUSINESS ENTERTAINMENT EXPENDITURE

Only 50% of scheduled business entertainment expenditure is deductible

### FRINGE BENEFIT TAX

On most non cash benefits provided to employees

Income Range	Rate
\$0 - 12,530	11.73%
12,531 - 40,580	21.21%
40,581 - 55,980	42.86%
Above 55,980	49.25%

### ACCIDENT COMPENSATION LEVIES

**Earners levy \$1.70 per \$100 of earnings (inclusive of GST)**

Maximum leviable earnings 2013/2014 \$ 116,089

Maximum levy payable 2013/2014 \$ 1,973.51

**Employer and self-employed levies**

Residual levy and at work levies at published industry rates, collected by ACC.

### WITHHOLDING TAX ON SCHEDULAR PAYMENTS

**Schedular Payments include**

Director's Fees 33%

Non Resident Entertainer 20%

Sales person commission 20%

Non-resident contractor payments 15%

**Resident Withholding Tax**

Interest 10.5%, 17.5%, 28%, 30%, 33%

Dividend 33%

When a dividend is fully imputed at 28%, RWT is payable at 5% of gross.

**Non-resident Withholding Tax on NZ Source Income Paid to Non Resident**

Interest and royalties 15%

Dividends 0%, 15% & 30%

For certain loans, NRWT can be substituted by a levy of 2% of interest paid.  
 Non-resident portfolio investors may receive supplementary dividend to offset NRWT deducted from imputed dividend.  
 NRWT is a minimum tax and the non-resident's net income may be subject to tax at full rate unless a DTA limits the liability.

## PENALTIES

### Late Payment

An initial late payment penalty of 1% applies if the taxpayer does not pay tax by the due date.  
 A further 4% late payment penalty applies if the tax is still not paid within 7 days of the due date.  
 An incremental late payment penalty of 1% is then imposed monthly until payment is made.

### Shortfall Penalties

	Max	Min
Unacceptable tax position	20%	0%
Failure to take reasonable care	20%	0%
Gross carelessness	40%	10%
Abusive tax position	100%	25%
Evasion	150%	37.5%

Can be reduced through voluntary or prior disclosure before or during audit notification or a good record of tax compliance.

### Use of Money Interest

Applicable to each ACC, GST, FBT and income tax payment by all taxpayers except for individuals whose residual income tax does not exceed \$50,000, or who did not elect an estimated amount of provisional income tax.

Overpayment	1.75%pa
Underpayment	8.40%pa

## OTHER INCOME TAX RATES

Superannuation Fund	28%
Trustee's Income	33%
Taxable distribution from 'foreign' or 'non-qualifying' trust	45%
<b>Employer's superannuation contribution tax</b>	
Salary plus superannuation contributions up to \$16,800 p.a.	10.5%
Salary plus superannuation contributions from \$16,801 to \$57,600 p.a.	17.5%
Salary plus superannuation contributions from \$57,601 to \$84,000 p.a.	30.0%
Salary plus superannuation contributions over \$84,000 p.a.	33.0%
Portfolio Investment Entity	10.5%, 17.5%, 28.0%

### Provisional Income Tax

For 31 March 2014 balance date, payment dates:

1st	28-Aug-13
2nd	15-Jan-14
3rd	7-May-14
Terminal Tax	7-Feb-15
With tax agent:	7-Apr-15

## GOODS AND SERVICES TAX 15%

Exemptions: financial services, residential rents.  
 Zero rated: exports, going-concerns, realty between GST registered persons.  
 Registration Threshold: above \$60,000 supplies p.a.

<b>CAPITAL GAINS TAX</b>	Nil.
<b>ESTATE DUTY</b>	Nil.
<b>GIFT DUTY</b>	Nil.
<b>STAMP DUTY</b>	Nil.

## LATE FILING PENALTIES

### Income Tax Returns:

"Small" taxpayer	\$	50
"Medium" taxpayer	\$	250
"Large" taxpayer	\$	500

<b>PAYE monthly employee schedule</b>	\$	250
<b>GST Returns:</b>		
If the payment basis is used	\$	50
If the invoice or hybrid basis is used	\$	250

**The late filing penalty does not apply to FBT returns.**

Note: Tax agents have significant extensions of time for filing income tax returns.